



**U.S. Department of Justice**

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**For Immediate Release:**

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**EVENT: Guilty Plea**

**Defendant: Scott Edward Ashley**

**CANTON MAN PLEADS GUILTY TO BANK AND WIRE FRAUD**

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A 40-year-old Canton man pled guilty today to all eight counts of an indictment charging him with defrauding three banks and using false social security numbers in filing petitions in U.S. Bankruptcy Court, United States Attorney Stephen J. Murphy announced today.

Murphy was joined in the announcement by John Keenan, the Detroit Resident Agent in Charge of the Social Security Administration's Office of Inspector General.

Pleading guilty before U.S. District Judge Gerald Rosen was Scott Edward Ashley. The plea took place in the midst of a jury trial of Ashley on the indicted charges.

The indictment charged Ashley with defrauding Comerica, Wells Fargo, and Huntington banks in separate applications for loans totaling \$3.8 million. It was further charged that, In addition to providing false information on his loan applications, Ashley supplied the banks with bogus federal tax records that falsely indicated that he was earning over \$1 million a year. Actually, according to the indictment, Ashley was receiving Social Security disability benefits and, with his spouse, had joint annual income of less than \$25,000. The indictment stated

Ashley's fraud caused that banks to ultimately lose over \$1.7 million. It was also charged that Ashley utilized false social security numbers not only in his loan applications, but in numerous bankruptcy petitions filed between 1997 and 2006.

United States Attorney Stephen J. Murphy said, "This kind of fraud and deceit in connection with loan applications can cost banks millions of dollars, as it did in this case. Fortunately the fraud investigators at the Social Security Inspector General's Office pursued this case with tenacity, resulting in today's guilty plea."

There was no plea agreement between the government and Ashley. The three bank fraud counts to which Ashley pled guilty each carry a maximum sentence of 30 years imprisonment and a \$1,000,000 fine. The remaining five counts of the indictment, charging wire fraud and social security number fraud, each carry maximum penalties of 5 years and \$250,000. The court is also required to impose an order of restitution.

Ashley's sentencing is scheduled for February 15, 2007

The investigation of this case was conducted by the Office of Inspector General of the Social Security Administration. The case has been prosecuted by Assistant U.S. Attorney Paul Burakoff.